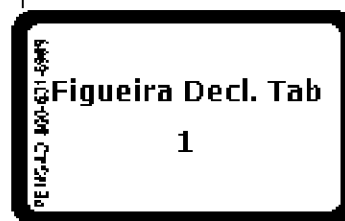


To: 'Tim Armstrong' <tim@google.com>; 'Kurt Abrahamson' <kurt@google.com>
From: Suzie Reider <sreider@youtube.com>
Cc:
Bcc:
Received Date: 2007-03-21 02:24:00 CST
Subject: YT monetization March 2007.ppt



Sharing the PPT that was shared with Susan, Gokul, Rajas and Joan today.

Shashi Seth has joined the YT team focused on monetization and led this discussion.

He's driving much of this development and today's check-in as largely so Susan could hear about development support

Again, by early summer we should have a) the ad concepts baked, b) the systems/back-end ready to go and c) a large team in place to sell like crazy.

It feels like it is coming along.

It'll be fun to see the usability testing this week for the instream...

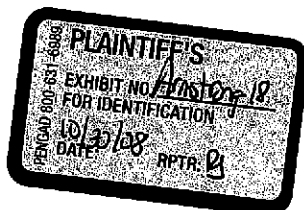
YouTube treasury is (referenced in here...) I don't think we have one... it really just means paying the users will need to be done through adsense.

We're getting closer.

The other tension which I'll highlight in our next quarterly business review is our commitment to monetize the partner content and the challenge of low page views on it.

Attachments:

YT monetization March 2007.ppt



YouTube Monetization Strategy

March 2007

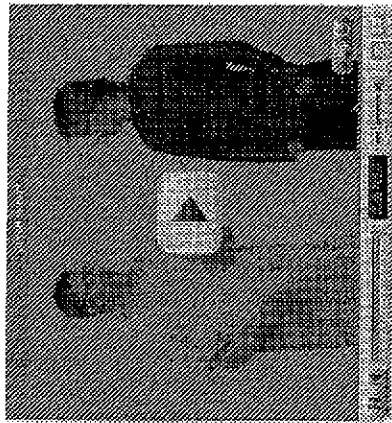


Monetization Strategy: Develop monetization platforms that drive revenue while protecting the user experience

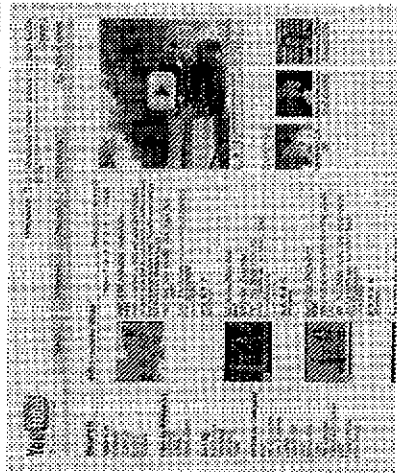
User-generated Content channels, brand advertisers



Partner Content Display, In-stream Ads, etc

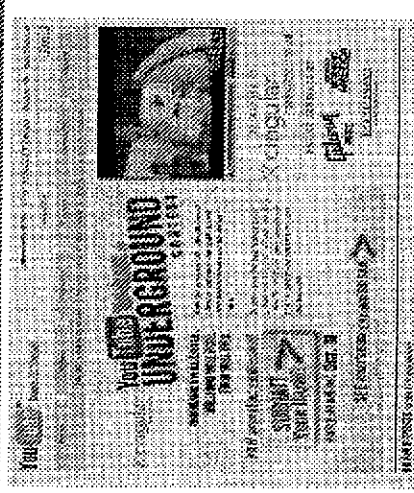


Monetize YouTube Site Homepage, Search, Channels, etc.



Sponsorships

Contests, channels, brand advertisers



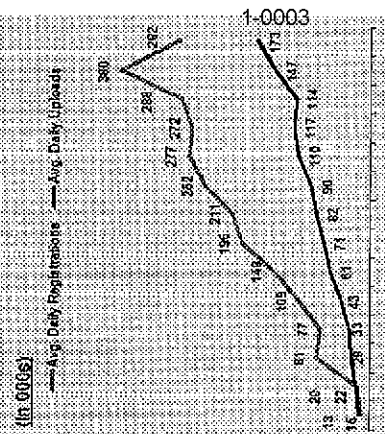
Promotion

Bidding for traffic



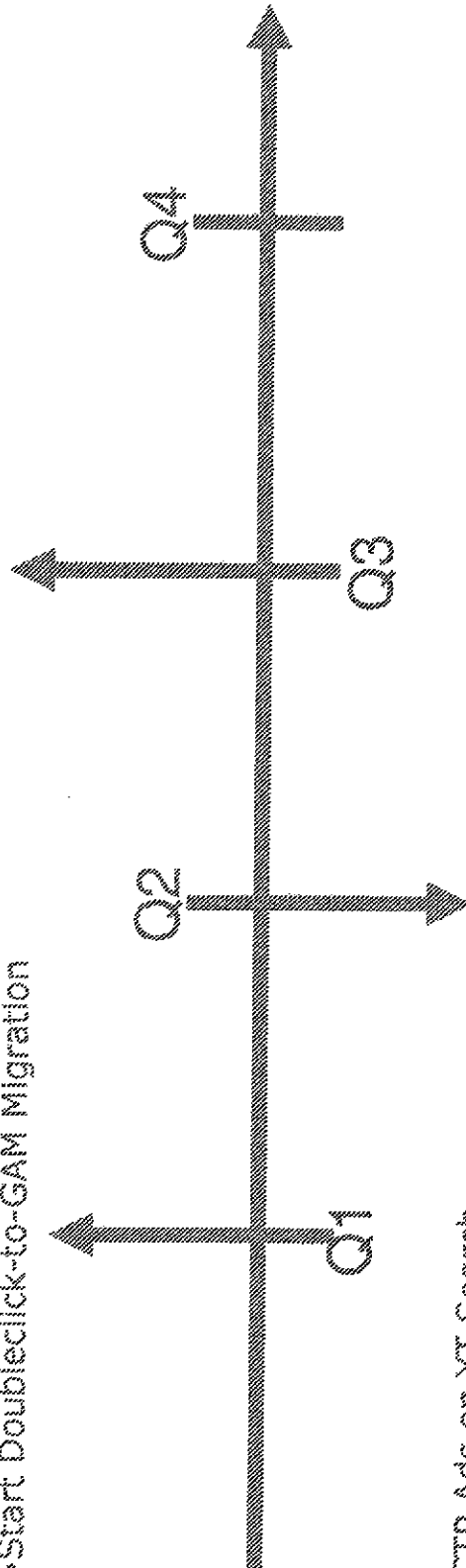
Data

Selling interesting data



Consolidated Roadmap for YT Monetization - 2007

- UGC Content Monetization Pilot
- In-stream Ads Test
- Start Doubleclick-to-GAM Migration
- Launch Full UGC Monetization program
- PVV Phase II
- Test New Ad Formats



- CTP Ads on YT Search
- Publish results from In-stream Ads and Usability
- Doubleclick-to-GAM Migration Complete
- GAM to AdSense Integration Complete
- PVV Phase I

1-0004



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Monetizing User- Generated Content



Problem we are addressing

- Top user-publishers are looking for ways to monetize their content
 - Competitors have started revenue sharing and attracting some of our talent away

1-0006

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Goals

- We will provide a platform for our users that will allow them to make a living out of their creativity
 - Attract and retain talent on YouTube
 - Encourage creation of higher quality (and quantity) UGC on YouTube
 - Provides top talent carrot for following copyright laws
 - Focus the top talent on creating new content, and YouTube will take care of business

1-0007



Pilot details

- Top 50 users invited to participate
- Allow users to tell us which content can be monetized in the upload process or my accounts
- Only display ads used at this time
- Ads served by GAM
- Ensure that only original content can be monetized (fingerprinting and manual-review)
 - Also ensure that duplicated monetizable-content cannot be uploaded
- Provide simple reporting on a daily basis on my accounts
- Payment through YouTube treasury

1-0008

YouTube Confidential

7



[illegible][illegible][illegible]

Key Dates and Roadmap

Date:	What will be delivered:
3/28/2007	<ul style="list-style-type: none"> • Launch Pilot
4/30/2007	<ul style="list-style-type: none"> • Publish results from the Pilot • Results from in-stream Ad experiments back
5/30/2007	<ul style="list-style-type: none"> • GAM to Adsense Integration complete
6/14/2007	<ul style="list-style-type: none"> • Launch Full UGC Revenue Sharing

1-0010

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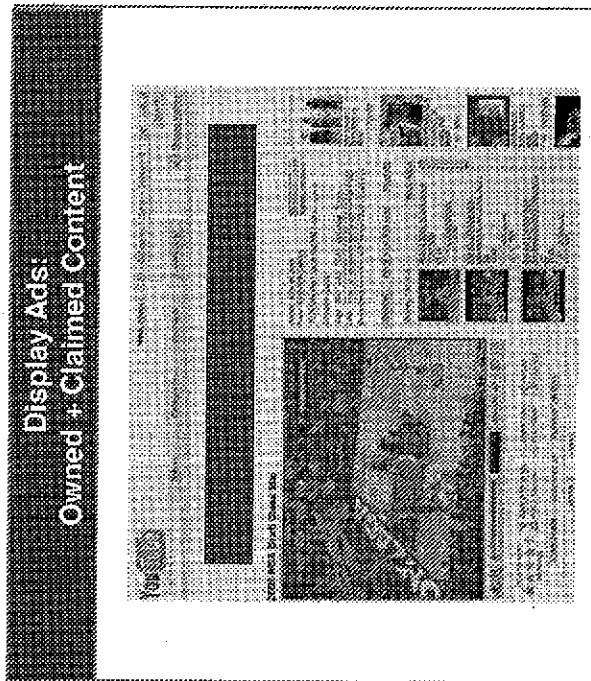


Monetizing Partner Content



Monetization Models

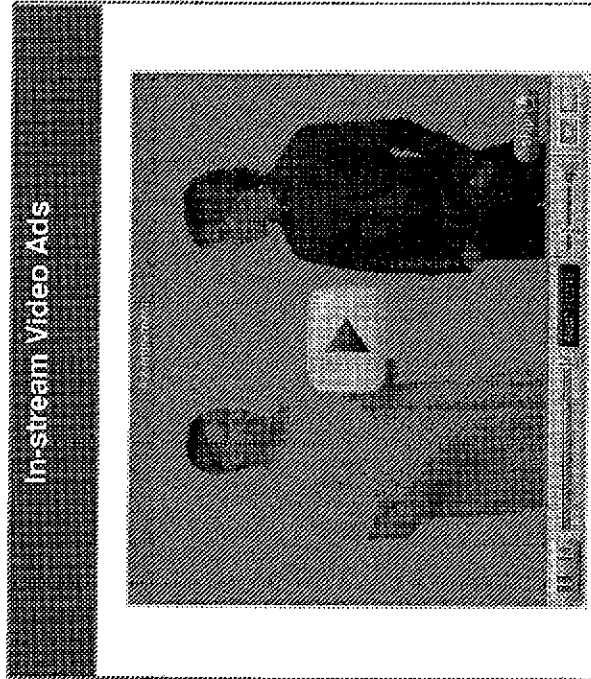
Available: Now



CPM: \$8 Floor

728x90 Display Banner

Available: 2H07



CPM TBD

1-0012

YouTube Sales Philosophy

- YouTube pursuing a direct sales, reservation-based sales strategy
 - Delivers on promise of YouTube for blue chip brand advertisers
 - Maximizes revenue and protects value of inventory
- Obtaining sponsorships for individual partners, artists, or events is non-scalable
 - No proven track record or inventory forecasts
 - YouTube becomes liable for traffic guarantees
 - Generally low volumes of per partner inventory not attractive to advertisers
- YouTube will maximize revenue by leveraging larger pools of inventory available through content category targeting
 - Allows increased CPM rates through audience targeting
 - Creates scalable program sizes for large advertising commitments
 - Smaller partners benefit from scale of aggregated inventory

1-0013



Category-Based Sales Approach

Category-Based Targeting

- Autos / Vehicles
- Comedy
- Entertainment
- Film & Animation
- Gadgets & Games
- How To & DIY
- Music
- News & Politics
- People & Blogs
- Pets & Animals
- Sports
- Travel & Places

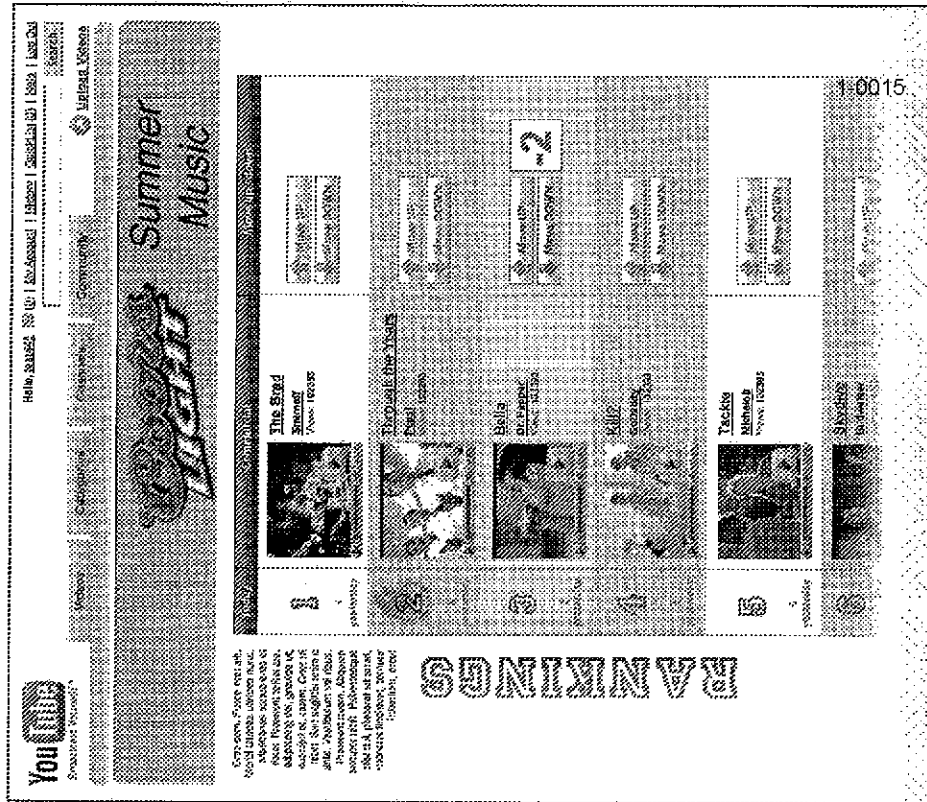
1-0014



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Sponsorship Programs

- We will explore packaging content from multiple providers in scalable programs
 - Summer Music
 - Oscar Nominee Special
- Long Term Vision: We will explore the development of a bid-based marketplace sponsorship system towards Q4



Key Dates and Roadmap

Date:	What will be delivered:
NOW!	<ul style="list-style-type: none"> • Monetization of Partner Content
March - May 2007	<ul style="list-style-type: none"> • GAM Migration
March 2007	<ul style="list-style-type: none"> • In-Stream Ad Trial
April 4, 2007	<ul style="list-style-type: none"> • Premium Content Sales Training

1-0016



Video Ads Test



Goals

- TEST several ad models for user response, ad performance, and brand effectiveness
- First step in scalable innovation: content/geo-targeting, enabling midsize advertisers, high bar for creative
- Discover optimal model(s) to consider for broader rollout — not all models will survive this test
- Establish performance metrics

1-0018



Overview and key dates

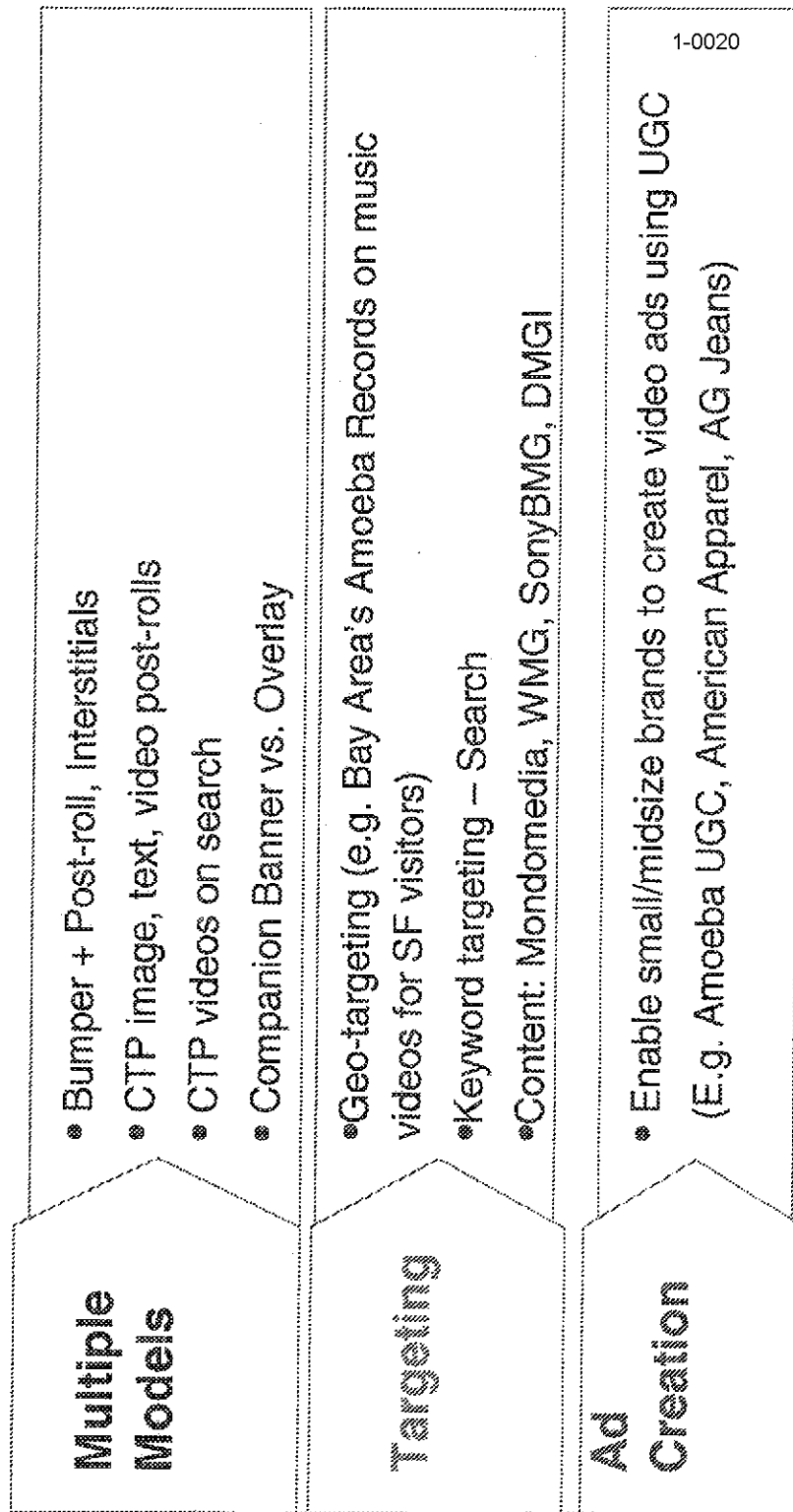
- **When:** 1 week test in March (March 28 tentative)
- **Objective:** Evaluate user response and ad performance for several ad models including combinations of placement, companion units, geo-/content-targeting
- **Scope:** 5-10 advertisers, 50-70 videos
- **Management:** All campaigns will be frequency-capped, targeted to specific videos, and in some cases geo-targeted
- **Measurement:** Detailed consumption reporting and user response/brand effectiveness study

1-0019



What are we testing

Goal is to test variety of ad models and pursue potential innovations in targeting and advertiser enablement

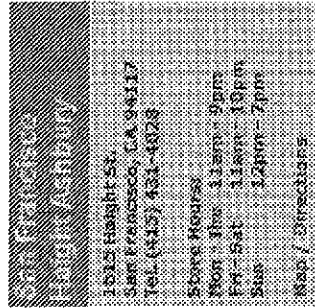


1-0020

Regional brand: Bumper "teaser" + geo-targeted Post-roll "feature"

American Apparel

Geo-targeted
LA,
SF



:03s

:15s "UGC" testimonial Call to action

1-0022

Key Dates and Next Steps

Date		Action required:
2/9/2007		• Initial agency meetings (Suzie scheduled)
2/12/2007		• Create advertiser shortlist • Finalize target videos • Schedule initial agency/advertiser calls
2/29/2007		• Finalize advertiser commitment • Cement comm strategy
3/15/2007		• All creative uploaded • All GAM campaigns programmed
3/28/2007		• Launch pilot

-0023

You Tube

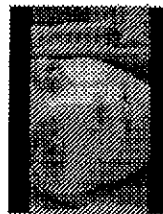
You are connected

Promote Your Video



Marketplace Participants Highly Interested in Promotion

- As YouTube grows it becomes increasingly difficult for content to be organically discovered - quality content is oftentimes buried
- Three types of participants driven by two goals
 - Revenue
 - Recognition
- YouTube needs to surface quality content that can be monetized



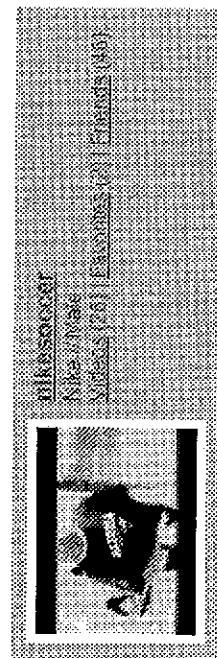
Jones for M3

Views: 8892478
Subscribers: 86237
Style: Vlogging



CBS

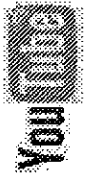
Views: 1221157
Subscribers: 49032
Style: Broadcaster



Goals

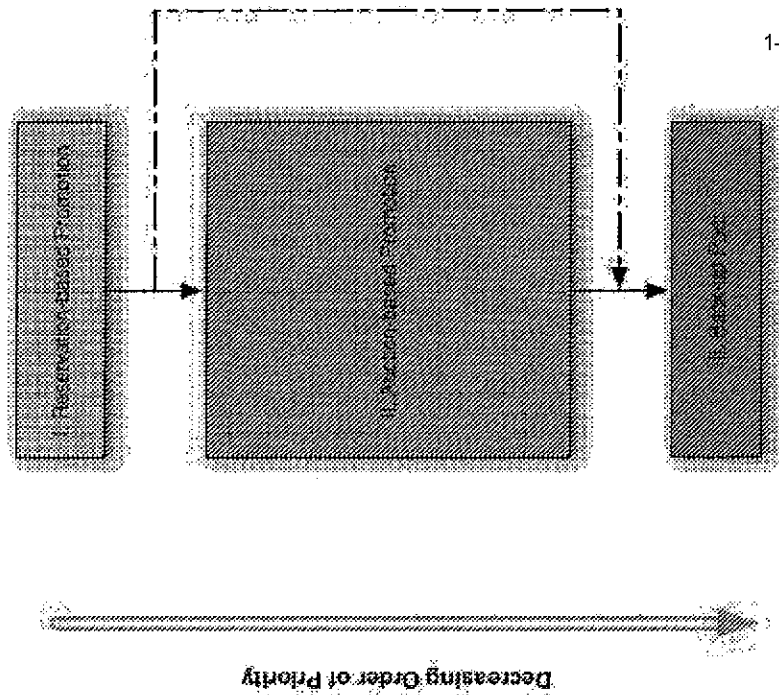
- Empower community participants of all types (users, partners, advertisers) to promote their content in a variety of ways
- Strengthen YouTube's competitive advantage in delivering content to the largest Internet video audience in the world
- Use promotions and feedback from campaigns to filter up high-quality content for consumption
- Provide the incentives for participants of "CYC for users" to re-engage the marketplace and continually feed revenue back to YouTube
- Develop a long-term monetization strategy based on a self-serve auction model

1-0026



Product details

- Three - tiered promotional model
 - Reservation
 - Self-serve Auction
 - Back-up "clean" pool
- Ultimate goal is to have an automated marketplace
- Will balance professional (partner/advertiser) and UGC
- Explore various forms of promotion
 - Promote Your Video Slots
 - Click-To-Play Ads (PVA)
 - Sponsored Search/Highlighted Results
- Placement and targeting
 - Home, Search, Watch pages
 - Categories --> Keywords --> Contextual



1-0027



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Screenshots



Search

Search in

- Channels
- Comments
- Playlists

Sort By

- Relevance
- Upload date
- Views
- Rating

Refine by Category

- All
- Arts & Crafts
- Automotive
- Comics
- Education
- Entertainment
- Health & Fitness
- Home & Living
- Music
- News & Politics
- People & Pets
- Science & Technology
- Sports
- Travel & Events

Video results for "NBA"

Results 1-20 of about 25,400 (1:58:41)

Pages 1 2 3 4 5 6 7 8 9 10

Steve Laddison, Dwight Howard and the Bulls' Dwight Howard in a hilarious interview about the Bulls' season at the NBA's 75th Anniversary celebration.

Check out the Bulls' 75th Anniversary celebration to find out how your favorite Bulls player could help you win the NBA's 75th Anniversary celebration.

Types: **VIDEO** **ALL** **CHANNELS** **COMMENTS** **PLAYLISTS** **RECOMMENDED**

Added 2 weeks ago to Category: Sports

Views: 77,154

Rating: 4.5/5

248 views

Top 10 Dunks

Types: **VIDEO** **ALL** **CHANNELS** **COMMENTS** **PLAYLISTS** **RECOMMENDED**

Added 1 year ago to Category: Sports

Views: 107,104

Rating: 4.5/5

248 views

Top 10 Dunks

Types: **VIDEO** **ALL** **CHANNELS** **COMMENTS** **PLAYLISTS** **RECOMMENDED**

Added 1 year ago to Category: Sports

Views: 107,104

Rating: 4.5/5

248 views

Top 10 Dunks

Types: **VIDEO** **ALL** **CHANNELS** **COMMENTS** **PLAYLISTS** **RECOMMENDED**

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Top 10 Dunks

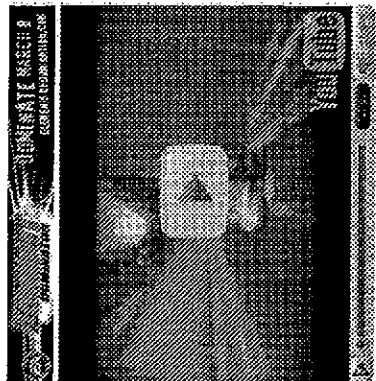
Types: **VIDEO** **ALL** **CHANNELS** **COMMENTS** **PLAYLISTS** **RECOMMENDED**

Added 1 year ago to Category: Sports

Views: 107,104

Rating: 4.5/5

248 views



UNOFFICIAL VIDEO



Top Gear: Car Light

RECOMMENDED



The Pottery Potter

CBS



Key Dates and Roadmap (Tentative)

Date:	What will be delivered:
Pre-launch (Q1/Q2)	<ul style="list-style-type: none"> • CTP Ad Trial on Search Results
Phase I (Middle/End Q2)	<ul style="list-style-type: none"> • Reservation and auction systems live • Limited promotional choices • Targeting by categories • Basic Reporting
Phase II (Q3)	<ul style="list-style-type: none"> • Increased promotional choices • Targeting by keywords or context (legal permitting) • More advanced user and internal reporting

1-0029

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